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STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2022-

**TO APPROVE ONE HUNDRED PERCENT GRANT FUNDING FOR THE CHIRIACO
SUMMIT WATER DISTRICT WATER SYSTEM IMPROVEMENT PROJECT
(PROJECT), PROJECT NO. 3301115-001C**

WHEREAS:

1. The State Water Resources Control Board (State Water Board) adopted the “Policy for Implementing the Drinking Water State Revolving Fund” (DWSRF Policy) on December 3, 2019;
2. On October 3, 2022, the State Water Board adopted the State Fiscal Year (SFY) 2022-23 (Federal Fiscal Year 2022) Intended Use Plan (IUP) for the DWSRF, which sets forth the plan for how DWSRF and related funding sources will be used during 2022-23 SFY;
3. The DWSRF IUP authorizes the Division of Financial Assistance (DFA) to provide funding for public water system infrastructure improvements to achieve or maintain compliance with safe drinking water standards;
4. The Project is needed for the Chiriaco Summit Water District (District) to achieve compliance with safe drinking water standards and is a DWSRF eligible project;
5. Under the DWSRF IUP, the maximum amount per connection for 100% grant funding for eligible Category A-C projects and/or consolidation projects is \$60,000;
6. The District serves approximately 50 residents via 32 service connections;
7. The Project is a Category A project and will address the water system outages experienced by the community, as well as aging infrastructure, storage, and security issues by making significant improvements to the District’s water treatment plant;
8. The District, the Project lead agency under the California Environmental Quality Act (CEQA), adopted a mitigated negative declaration (MND) on February 15, 2001 and an addendum to the MND on January 17, 2017;
9. The State Water Board, a Project responsible agency under CEQA, filed a Notice of Determination (NOD) with the Office of Planning and Research, State Clearinghouse following funding approval of the Project;

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10. The State Water Board adopted [Resolution No. 2017-0062](#) on October 17, 2017, authorizing the Deputy Director of the DFA to enter into an agreement with the District to provide a grant of \$2,963,400, with the ability to increase the funding amount by up to 10 percent for good cause, based on a preliminary cost estimate;
11. Construction Funding Agreement No. D17-02067 (Agreement) was executed on January 23, 2018 for \$2,953,400 in grant funds for the Project;
12. On September 28, 2022, the District received bids from three contractors for the Project and has selected the lowest responsible bid in the amount of \$4,991,620 submitted by Canyon Springs Enterprises;
13. The total Project cost, which includes eligible construction and non-construction costs (e.g., planning, engineering, design, construction management, and construction contingency), has increased to \$7,185,120 (\$224,535 per connection); and
14. The Project is considered non-routine because it exceeds the maximum cost per connection threshold of \$60,000 in the SFY 2022-23 DWSRF IUP for a Category A-C project.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Waives the per connection threshold of \$60,000 in the SFY 2022-23 DWSRF IUP for this Project;
2. Authorizes the Deputy Director of DFA to amend Agreement No. D17-02067 to provide a total of up to \$7,185,120 in one hundred percent grant funding for the Project, with up to a 10 percent increase to cover potential cost increases if approved by the Deputy Director of DFA for good cause.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on November 15, 2022.

Jeanine Townsend
Clerk to the Board